



Genesis

VOICE OF STUDENTS

Managing medicine

A new breed of medical businessperson is needed for the 21st century

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When health care costs continued to escalate in the face of declining reimbursement, a paradigm shift in the delivery of health care occurred. This shift involved the widespread growth of managed care and a drastic transfer of power out of physicians' hands. A battle over patient management and physician reimbursement thus ensued between physicians and their nonmedical administrative counterparts. Physicians are losing this battle. The focus used to be patients and the treatment of their diseases, regardless of cost. The issue of cost has now pushed its way into the algorithm of everyday management. With the decline in the quality of medical care that many physicians and patients feel accompanies managed care systems, the efficient use of health care resources has become paramount. All of these changes point to the need for people who can speak the languages of both business and medicine—people who can bridge the 2 worlds.

The rapidly evolving medical economy has led to several new educational pathways. One of these pathways involves the joint medical degree and master's in business administration (MD-MBA) program, now available at many of the most prestigious schools. An MBA provides several tools that are vital to physicians facing the challenges of medicine today. Students develop administrative, negotiating, communication, and leadership skills. According to Bruce Chernof, medical director of Health Net and codirector of the MD-MBA program at UCLA, communication skills are by far the most important. One could argue that medical school is 4 years spent learning the language of medicine. However, most physicians learn only this language. People who wish to bridge business and medicine need to learn the basics of both disciplines.

Fluency in business and clinical medicine not only empowers physicians to effectively negotiate with third-party payers, it also enables them to better relate to industry leaders and hospital administrators, which translates into more efficient health care delivery. In addition, department chairs and other hospital administrators are spending increasingly more time on business-related issues. Chernof asserts, "the challenge going forward is that decisions are no longer simple, and they're hugely expensive." The health care industry needs people who know how to allocate resources in this era of cost cutting. Accordingly, a training in business gives physicians the credibility to implement new, more efficient practice methods and treatment algorithms to large systems of care. With advanced leadership skills, physicians with business training will have the credentials to lead the medical community in the ongoing battle between cost and quality.

A dual degree is not a ubiquitous solution, however. Most physicians wish to be strict clinicians and have no need for an MBA. Sam Shen, a current MD-MBA student at UCLA, warns that "doing a dual degree gives you more options, but at the same time, too many options hurt your long-term career—unless you mesh the two, such as in hospital administration." He also realizes, "I won't be the best physician and won't be the best [businessman] if I continue to straddle and don't commit to one."

It is also not for people who have an interest in business education solely for practice management. This need is more appropriately filled by business-related electives. These electives, according to Neil Parker, cofounder of the joint degree program at UCLA, would be developed and taught by faculty from both the business and medical schools and be offered to students outside the joint-degree program. These courses, rather than a full MBA, would better serve most physicians.

With the development of joint-degree programs, a new breed of medical businessperson will evolve. These professionals will be needed in several industries: medical device design, pharmaceuticals, managed care, hospital administration, and medical consulting. The new face of the medical economy demands that physicians have the training to make critical, cost-effective decisions about health care management. The joint-degree program is for people with broader interests than just the practice of medicine. It is for entrepreneurs, consultants, device designers, future department chairs and leaders in managed care, and the quality and utilization management gurus who need to be at the forefront of medical evolution in the new millennium.



DHD photo gallery

Learning the languages of both business and medicine empowers physicians working in the health care industry